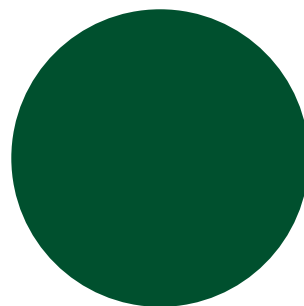
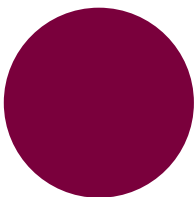
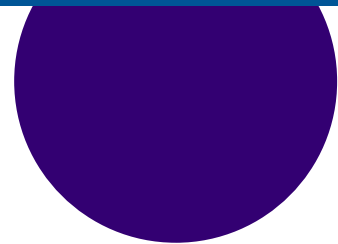


# Backgrounder: One-Year Anniversary of the Blue-Ribbon Panel Report

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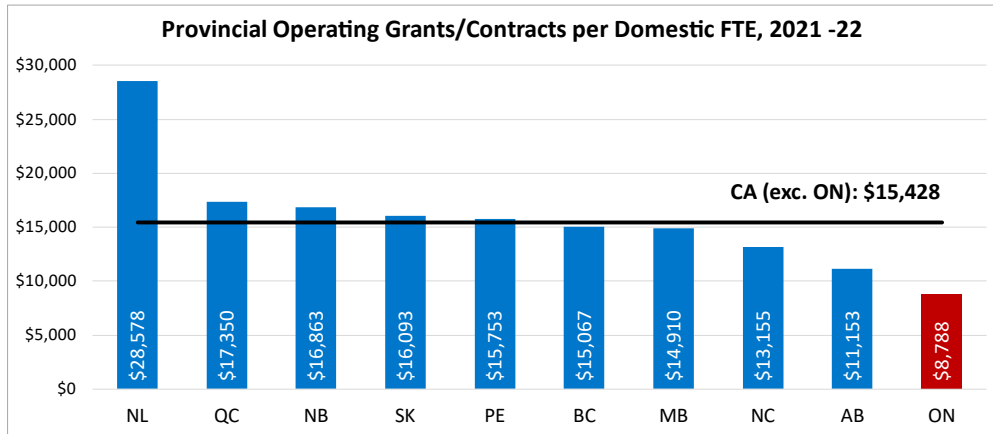
November 2024



## Backgrounder: One-Year Anniversary of the Blue-Ribbon Panel Report

Ontario universities are the lowest funded per student in the country.

### Ontario Universities Receive the Lowest Funding Per Domestic Student Full-Time Equivalent in Canada

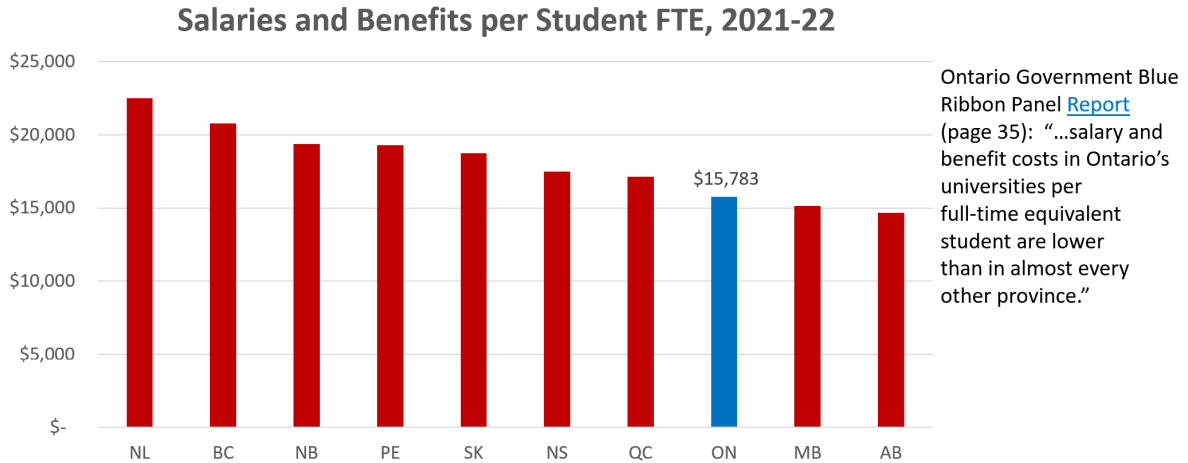


Notes: COU calculates FTEs for interprovincial comparisons using a standard Statistics Canada methodology, in which 1 full-time student = 1FTE and 1 part-time student = 1/3.5 FTEs.

Source: CAUBO, [Financial Information of Universities and Colleges, 2020/1](#) and Statistics Canada, [Table 7-10-0018-01](#).

According to Ontario's Blue-Ribbon Panel Report (page 35): "...salary and benefit costs in Ontario's universities per full-time equivalent student are lower than in almost every other province."

## Ontario Universities Among the Most Efficient in the Country

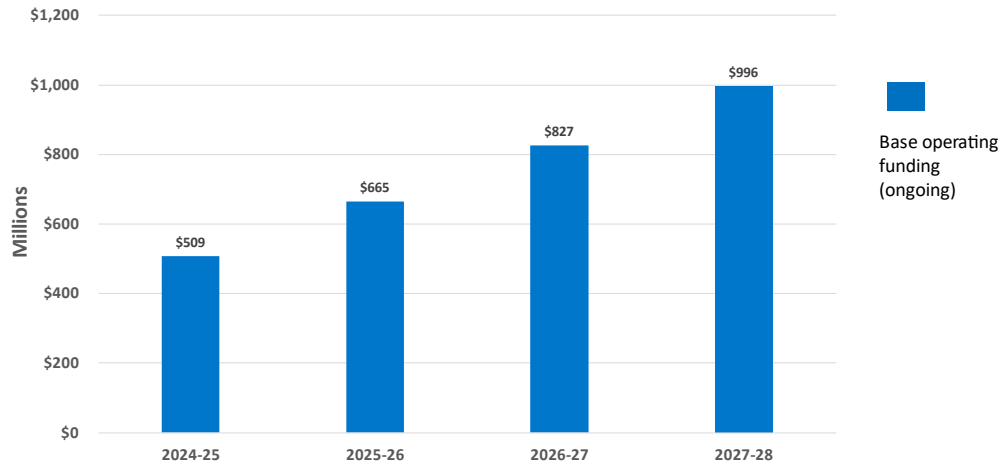


Notes: Includes all operating fund salaries and benefit expenses. FTEs are calculated as 1 fall full-time headcount = 1 FTE and 3.5 part-time fall headcounts = 1 FTE.

Source: [CAUBO, Financial Information of Universities and Colleges \(FIUC\)](#), and Statistics Canada, [Table 37-10-0011-01](#).

Ontario's Blue-Ribbon Panel recommended significant increases in base revenues to universities to help ensure the financial sustainability of the sector given its critical role in generating the talent and innovation our economy needs. After years of declining real per student funding and the 10% cut and freeze to tuition, the Panel recommended an initial boost of 15% increase in base revenues in the first year followed by annual increases of 4% per year.

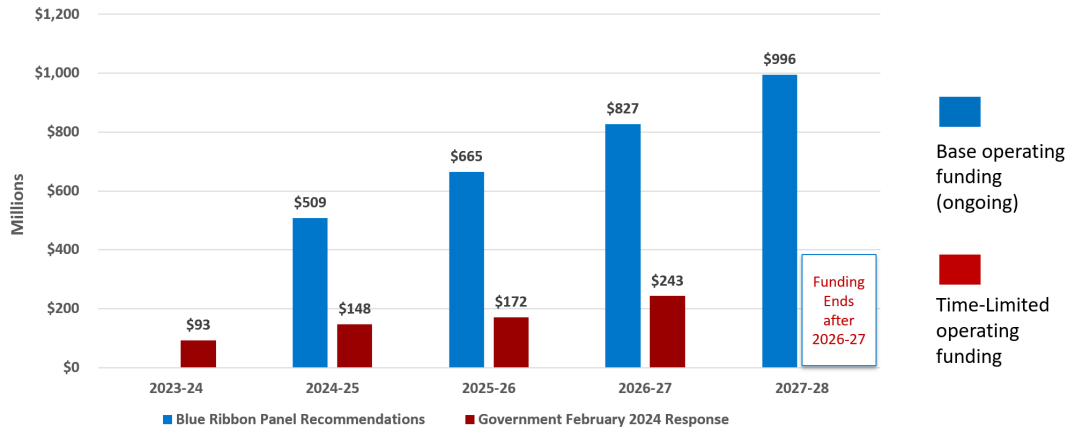
### Blue Ribbon Panel Recommendations for Ensuring the Financial Sustainability of Ontario's Postsecondary Sector



Notes: Blue Ribbon Panel recommendations include 10%, 2% and 2% increases in base operating grants as well as 5%, 2% and 2% increases in domestic tuition which when converted to the equivalency of base operating grants is also 5%, 2% and 2% for a combined total of 15%, 4% and 4% ongoing. Excludes Hearst, NOSM U and Université dell'Ontario français.

According to the Blue-Ribbon Panel, the last per student funding increase was in 2008-09, 15 years ago. So while the province’s initial funding of nearly \$1.3 billion provides a crucial injection of needed funds, it falls far short of the Panel’s recommendations by providing less than one-third of the recommended increase in operating revenue over three years.

## Blue Ribbon Panel Recommendations and Initial Provincial Response

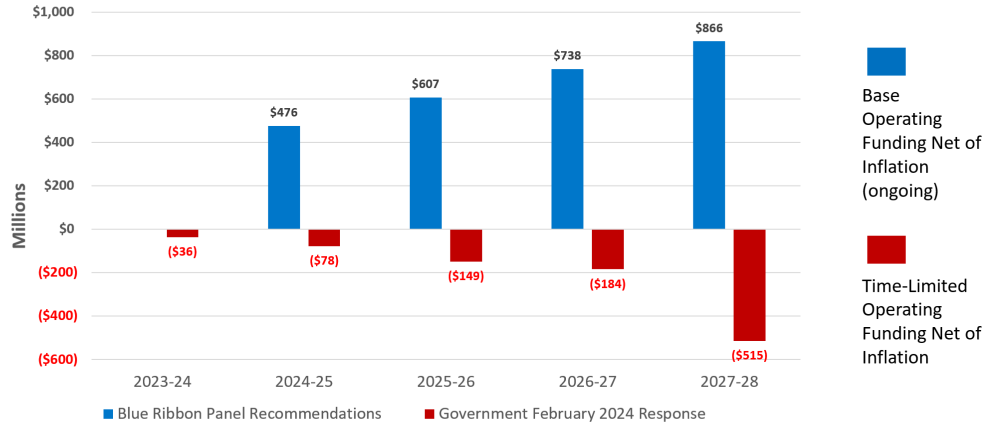


Notes: Blue Ribbon Panel recommendations include 10%, 2% and 2% increases in base operating grants as well as 5%, 2% and 2% increases in domestic tuition which when converted to the equivalency of base operating grants is also 5%, 2% and 2% for a combined total of 15%, 4% and 4% ongoing. Excludes Hearst, NOSM U and Université de l'Ontario français.

Ontario government February announcement includes one-year only in partial funding in 2023-24 for STEM enrolment above the corridor, time-limited operating funding of 3%, 2% and 2% that ends after the third year as well as \$46 million in one-time top up funding for 2024-25.

Further, the additional time-limited funding does not keep up with inflation, nor does it address the impact of repealing Bill 124, and ends after three years, creating a financial cliff for the sector in 2027-28.

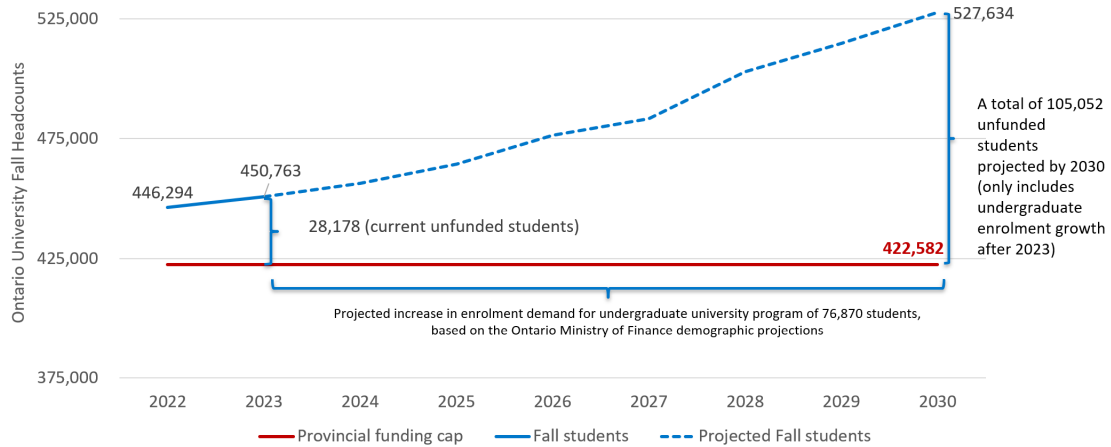
### Blue Ribbon Panel Recommendations and Government February Response Adjusted for Inflation



Notes: Blue Ribbon Panel recommendations include 10%, 2% and 2% increases in base operating grants as well as 5%, 2% and 2% increases in domestic tuition which when converted to the equivalency of base operating grants is also 5%, 2% and 2% for a combined total of 15%, 4% and 4% ongoing. Excludes Hearst, NOSM U and Université de l'Ontario français. Ontario government February announcement includes one-year only in partial funding in 2023-24 for STEM enrolment above the corridor, time-limited operating funding of 3%, 2% and 2% that ends after 2026-27 as well as \$46 million in one-time top up funding for 2024-25. Both the Panel recommended funding increases and provincial funding response have been adjusted for inflation (Ontario CPI) as follows: 3.8% for 2023, 2.5% for 2024, 2.1 for 2021 2.1 per cent in 2025, before returning to the Bank's 2.0 per cent inflation rate target in 2026 and 2027 (Ontario 2024 Economic Outlook and Fiscal Review).

During upcoming negotiations for renewed five-year funding agreements, the province has the unique opportunity to increase the funding cap on domestic students to ensure that universities can provide the space for more than an additional 100,000 Ontario high school students that are expected to apply to an Ontario university by 2030. Without the additional financial support, more and more Ontario high school students will be unable to attend a program of their choice in Ontario.

### Ontario's New Five-Year Funding Agreements (2025 to 2030) Provide Timely Opportunity to Address Growing Demand by Ontario High School Students to Attend an Ontario University



Notes: Enrolment data for 2022-23 and 2023-24 are fall headcounts calculated from Weighted Grant Units. Estimates for 2024-25 apply the average cumulative change in participation rates from 2018 to 2020 to future years to Ontario Ministry of Finance population projections.

Source: COU's unfunded student model, Ontario's universities' undergraduate enrolment data, and Ontario Ministry of Finance projections for the 18-to-24-year-old population.